



Maryland
Transportation
Authority

WHO are we?

Financed by toll revenue, the Maryland Transportation Authority (MDTA) was established in 1971 to finance, construct, operate, preserve and improve the State's toll facilities, as well as to finance new revenue-producing transportation projects for the Maryland Department of Transportation.

The MDTA's eight toll facilities - two turnpikes, two tunnels and four bridges - connect One Maryland. The MDTA's revenues are separate from the State's General Fund and Transportation Trust Fund and are reinvested into our facilities to operate and maintain them. The MDTA's Trust Agreement, for the benefit of its bondholders, outlines how these funds may be used as it develops and finances transportation solutions for Maryland's citizens.

For more than 40 years, the MDTA has provided Maryland's citizens and visitors with safe, secure and convenient transportation facilities. We are committed to preserving our vital infrastructure and to quality and excellence in customer service. We rely on our organization's values, traditions and - most important - our employees to achieve these goals.



WHY are roads tolled?

The construction and maintenance of many roads in Maryland have typically been paid for with State and federal taxes. However, as transportation needs have increased, government budgets have decreased. Toll roads offer a way to meet transportation challenges without raising taxes.

Roads are tolled for three basic reasons - to pay for a road that can't be built soon enough with available resources, to pay for the continued maintenance and operation of a roadway and to pay for other transportation improvements in the area, such as work on highways, bridges and tunnels, travel plazas or toll facilities. Toll roads offer economic, quality of life and safety benefits that can be delivered years in advance of using other funding methods.

Governor's Message

We are pleased to present the 2012 Annual Report of the Maryland Transportation Authority.

The O'Malley-Brown Administration is committed to preserving and improving Maryland's transportation system to create jobs and expand opportunities in Maryland. The choices we make today will lay the foundation for generations to come.

This report highlights the important efforts and key initiatives we have implemented in 2012. By working together, we tackled extensive facility maintenance and preservation, redevelopment of the I-95 travel plazas, enhanced facility inspections, continued progress increasing capacity along I-95 north of Baltimore and growth of the *E-ZPass* Maryland system.

Our bridges, tunnels and highways are critical to our everyday lives. If we are to retain, attract and grow jobs in Maryland, we must make smart decisions about our infrastructure to ensure that we protect the quality of life that defines our state.

Thank you for your interest in Maryland's transportation progress.

A handwritten signature in black ink, appearing to read 'Martin O'Malley'.

Martin O'Malley
Governor



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Vision

Creating EZ Passage Throughout Maryland.

Mission

The MDTA will be financial stewards of our dedicated revenue sources to provide vital transportation links that move people to promote commerce in Maryland by:

- ➔ Creating and maintaining a transportation network of highways, bridges and tunnels where safety and transportation efficiency are priorities.
- ➔ Operating and securing our facilities with innovative technologies.
- ➔ Financing transportation facilities that offer convenient choices to travelers.

Employee Guiding Principles

SAFETY

We provide safe and secure facilities for our customers, employees and the communities we serve.

EMPLOYEE EMPOWERMENT & ACCOUNTABILITY

Our employees conduct routine business without excessive oversight and accept responsibility for their actions.

RESPONSIVENESS

We adjust quickly to unforeseen and sudden events.

VIGILANCE

We proactively keep watch over our facilities to protect the public and the environment.

INTEGRITY

We work within our legal and ethical framework with honesty.

COMMUNICATION

We work to keep our stakeholders informed and value their feedback.

EQUAL OPPORTUNITY

We value our diversity and provide opportunities regardless of our differences.

Governing Members

The Maryland Transportation Authority Board serves as our policy-setting, decision-making and governing body and is responsible for all actions taken by the MDTA. The authority to set tolls is at the sole discretion of the Board Members. Maryland's Secretary of Transportation presides as the MDTA's Chairman.

In addition to the Chairman, the group consists of eight Members appointed by the Governor with the advice and consent of the Senate. The composition of the Board must reflect the diversity of the population of the State in its expertise, geographic location, race and gender. The composition of the Members must include expertise in structural engineering, transportation planning, land-use planning and finance. Each Member serves a four-year term, and term expirations are staggered. Board Members are eligible for reappointment to the MDTA with a limit of three consecutive terms.

MDTA Chairman and Transportation Secretary

Beverley K. Swaim-Staley stepped down effective July 1, 2012, after 25 years of State service. Ms. Swaim-Staley was the first woman to be appointed as Maryland's Transportation Secretary and MDTA Chairman. She was appointed by Governor Martin O'Malley in September 2009. We wish Chairman Swaim-Staley the best in her future endeavors, and thank her for her leadership throughout the years.

In addition, the MDTA's longest-serving Board Member, Louise P. Hoblitzell, retired and was honored during a luncheon held Feb. 23. In addition to recognizing Mrs. Hoblitzell's 28 years of dedicated service, Chairman Swaim-Staley and Members presented her with a Governor's Proclamation and named the Members' Boardroom in her honor. During her tenure, she was involved with significant projects including the Fort McHenry Tunnel, the Seagirt Marine Terminal, the M-TAG/*E-ZPass* Maryland system and the largest capital program in agency history.



Louise P. Hoblitzell
Served July 1983–October 2011



Walter E. Woodford, Jr., P.E.
Appointed July 1991



Rev. Dr. William C. Calhoun, Sr.
Served 1999 - 2005
Appointed May 2007



Michael J. Whitson
Appointed May 2007



Peter J. Basso
Appointed August 2007



Arthur Hock
Appointed October 2011



Mary Beyer Halsey
Appointed February 2008



A. Bradley Mims
Appointed April 2011

Acting Chairman's Message



When the Maryland Transportation Authority was established more than 40 years ago on July 1, 1971, transportation leaders never would have envisioned the onset of all-electronic toll collection, the use of license plate recognition technology and express toll lanes.

During the last four decades, the MDTA has undergone a significant transformation, no longer simply an agency charged with the maintenance, operation and improvement of toll facilities. Today, the MDTA has expanded its role in financing revenue-producing transportation solutions and has become a leader in public-private partnerships.

The MDTA has consistently provided the State's citizens and visitors with the most efficient and safe transportation services and facilities possible while maintaining the fiscal responsibility that is the backbone of the agency. As government is increasingly more responsive to the needs of the public it serves, the MDTA will continue to work hard so that our State's transportation network meets the evolving needs of our citizens, our visitors and our economy.

We hope you enjoy reading about the agency's programs, initiatives and successes within this report, and thank you for your continued support.

Darrell B. Mobley
Acting Chairman

Executive Secretary's Message



Welcome to our report on the activities and operations of the MDTA for 2012. It has been a privilege and pleasure to serve as the agency's Executive Secretary during the past year.

With strong and effective leadership from our Acting Chairman and Board Members, the MDTA is continuing to work diligently to meet the challenges set forth by Governor O'Malley to provide a safe and efficient transportation system that supports Maryland's economy. I would like to personally thank former Chairman Beverley K. Swaim-Staley for her outstanding leadership and wish her well in her retirement.

Our 1,700 employees play vital roles in ensuring our toll facilities meet the growing needs of the nearly 172-million motorists who travel them each year. But they also do much more than that. As you will read in this report, our employees also take great pride in giving back to their communities by supporting worthwhile causes. These efforts highlight the truly good-hearted and well-rounded employees we are lucky to have at the Maryland Transportation Authority.

Thank you for reading about our agency's accomplishments and our employees' continued commitment to excellence and teamwork.

Harold M. Bartlett
Executive Secretary

Deborah E. Sharpless
*Deputy Executive Secretary and
Acting Chief Financial Officer*

John J. Ayd
Chief Information Officer

David W. Chapin
Special Projects Coordinator

Donna DiCerbo
Acting Director of Procurement

David K. Greene
Director of Strategic Development

Beverly Hill
Director of Fair Practices

Douglas M. Hutcheson, P.E.
Chief Engineer

Derek Jones
Director of Operations

Col. Michael T. Kundrat
MDTA Police Chief

Jody D. McCurley
Director of Audits

Marjorie Nesbitt
*Director of Human Resources &
Workforce Development*

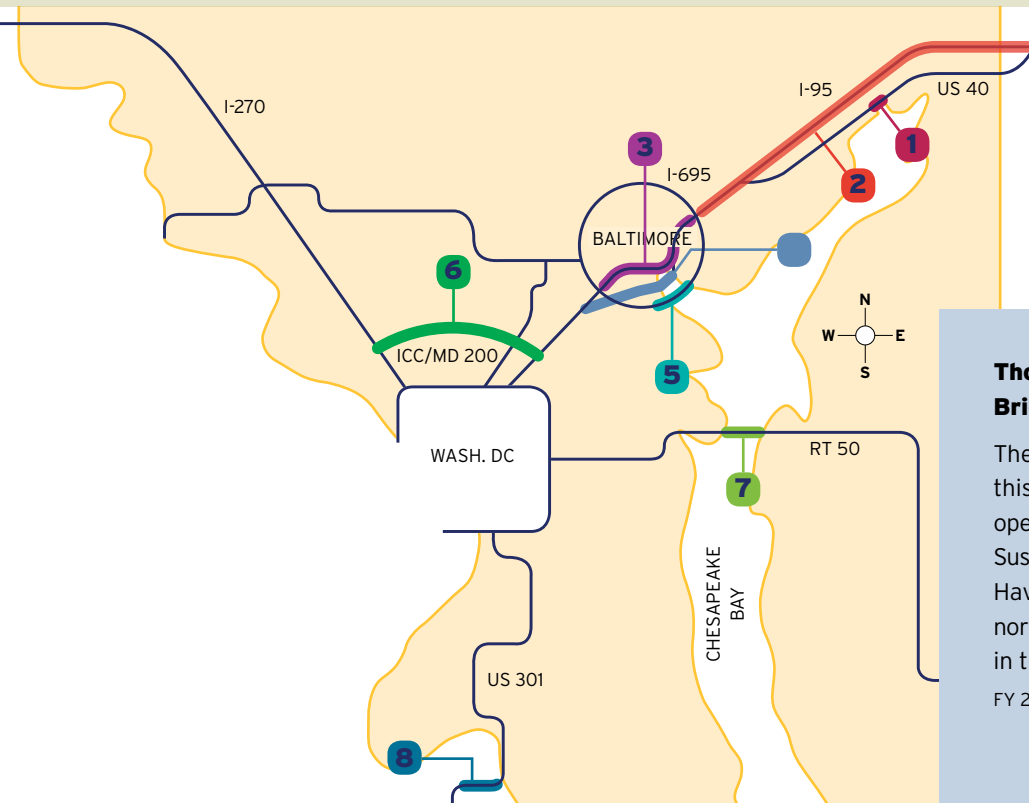
Dennis Simpson
Director of Capital Planning

Valerie Johnston Smith
Principal Counsel

Cheryl M. Sparks
Director of Communications

Our FACILITIES

Vital Links in Maryland's Transportation Network



Thomas J. Hatem Memorial Bridge (US 40)

The oldest of the MDTA's facilities, this 1.4-mile, four-lane bridge opened in August 1940. It spans the Susquehanna River on US 40 between Havre de Grace and Perryville in northeast Maryland. Tolls are collected in the eastbound direction only. FY 2012 traffic volume - 10.2 million vehicles.



John F. Kennedy Memorial Highway (I-95)

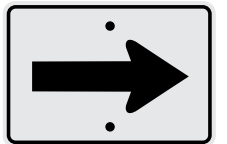
Opened in November 1963, the John F. Kennedy Memorial Highway is a 50-mile section of I-95 from the northern Baltimore City line to Delaware. Tolls are collected in the northbound direction only at the toll plaza located one mile north of the Millard E. Tydings Memorial Bridge over the Susquehanna River in northeast Maryland.

FY 2012 traffic volume - 30.8 million vehicles.

Fort McHenry Tunnel (I-95, I-395)

The largest underwater highway tunnel, as well as the widest vehicular tunnel ever built by the immersed-tube method, the Fort McHenry Tunnel opened to traffic in November 1985. The eight-lane tunnel is nearly 1.4-miles long and connects the Locust Point and Canton areas of Baltimore, crossing under the Patapsco River, just south of historic Fort McHenry. The tunnel is a vital link in I-95, the East Coast's most important interstate route. Including the tunnel and approach roadways, the facility is approximately 10.3 miles in length.

FY 2012 traffic volume - 46.3 million vehicles.



Our FACILITIES

4

Baltimore Harbor Tunnel (I-895)

The 1.4-mile, four-lane tunnel opened in November 1957. Designated I-895, the facility crosses under the Patapsco River and connects major north/south highways and many arterial routes in Baltimore City's industrial sections. Including the tunnel and approach roadways, the facility is approximately 17 miles in length.

FY 2012 traffic volume - 26.4 million vehicles.



6

Intercounty Connector (ICC)/MD 200

The Intercounty Connector (ICC)/MD 200 links I-270/I-370 in Montgomery County and I-95 in Prince George's County. The ICC is the MDTA's first all-electronic, variably priced toll facility. The first segment between I-370 at Shady Grove and MD 97 in Rockville/Olney opened in February 2011, with the segment to I-95 in Laurel opening in November 2011. Tolls are paid at highway speeds via E-ZPass® and video tolling as vehicles pass beneath tolling structures.

FY 2012 traffic volume - 11.6 million vehicles.



Francis Scott Key Bridge (I-695) 5

This outer crossing of the Baltimore Harbor opened in March 1977 as the final link in I-695 (the Baltimore Beltway). The 1.7 mile Key Bridge crosses over the Patapsco River where Francis Scott Key was inspired to write the words of the "Star Spangled Banner." This facility also includes the Curtis Creek Drawbridge. Including the bridge and approach roadways, the facility is 10.9 miles in length.

FY 2012 traffic volume - 11.7 million vehicles.



7

William Preston Lane Jr. Memorial (Bay) Bridge (US 50/301)

The Bay Bridge crosses the Chesapeake Bay along US 50/301. Its dual spans provide a direct connection between recreational and ocean regions on Maryland's Eastern Shore and the metropolitan areas of Baltimore, Annapolis and Washington, D.C. At four miles, the spans are among the world's longest and most scenic over-water structures. The original span opened in July 1952 and provides a two-lane roadway for eastbound traffic. The parallel structure opened in June 1973 and has three lanes for westbound travelers. During periods of heavy eastbound traffic, one lane of the westbound bridge is "reversed" to carry eastbound travelers ("two-way" traffic operations). Tolls are collected in the eastbound direction only.

FY 2012 traffic volume - 28.1 million vehicles.



8

Governor Harry W. Nice Memorial Bridge (US 301)

Opened in December 1940, this 1.9-mile, two-lane bridge is located on US 301 and spans the Potomac River from Newburg, Md., to Dahlgren, Va. President Franklin D. Roosevelt participated in the facility's groundbreaking in 1939. Tolls are collected in the southbound direction only.

FY 2012 traffic volume - 6.7 million vehicles.

The first all-electronic toll facility in the region

Maryland's eighth and first all-electronic toll facility reached its one year anniversary since opening to I-95 on Nov. 22, 2012. The Intercounty Connector (ICC), connecting Montgomery and Prince George's counties near Washington, D.C., provides reduced and reliable travel times and greater convenience for commuters, businesses and transit users between the I-270 and I-95 corridors. The ICC's first segment from I-270/I-370 at Shady Grove to MD 97 (Georgia Avenue) opened in February 2011 and the next 10 miles of the ICC, connecting I-270/I-370 to I-95 at Laurel, opened in November 2011.

The ICC was designed to accommodate expected traffic capacity in 2030 and to provide relatively congestion-free travel with reliable travel times today and for years to come. Traffic volumes on the ICC are growing at an average rate of three percent per month. With new toll facilities like the ICC, there is an expected "ramping up" period during the first few years when traffic grows gradually as users become more familiar with the facility. Between July 2011 and June 2012, more than 11.56 million trips were made on the ICC with total revenue of \$19.73 million, as compared to the projected

\$18.71 million. In September, weekday traffic averaged more than 35,000 vehicles per day in the western segment of the facility between I-370 and Georgia Avenue and 26,000 vehicles per weekday on the eastern segment between US 29 and I-95.



There are no toll plazas on the ICC. Tolls are collected via *E-ZPass* and video tolling at highway speeds as vehicles pass beneath tolling structures, eliminating vehicle queuing and congestion, promoting safety, reducing pollution and improving the overall quality of life for commuters. Varying toll rates by time of day and day of the week provides generally free-flowing traffic on the ICC – even during peak periods like morning and afternoon rush hours. Tolling also provides funds for financing, operating and maintaining a large transportation project like the ICC. Without tolling, the ICC could not have been built, as conventional transportation funding was insufficient to build the roadway.

On Feb. 28, 2012, Governor Martin O'Malley announced the contract to design and build the final segment of the ICC. The \$89 million "Contract D/E" will complete the ICC by constructing a one-mile segment between I-95 and US 1 in Prince George's County. The additional mile of highway will provide new access points to the ICC from US 1 and Virginia Manor Road. This also will relieve traffic congestion for motorists along the Route 1 Corridor and in and around the Laurel area. The project is scheduled for completion in late 2013/early 2014.



Overhead tolling gantry along the Intercounty Connector (ICC)/MD 200.



ICC traffic travels below Olde Mill Run.

The MDTA opened the ICC Eastern Operations Facility near the I-95 interchange in summer 2012. This facility includes office space for MDTA Operations and Police staff, automotive and truck repair shops, storage for winter weather materials/salt and roadway maintenance materials/equipment, and a geothermal heating and air-conditioning system.

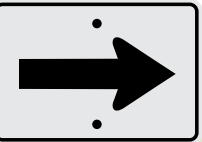
An initial evaluation about whether or not to increase the ICC speed limit was completed in fall 2012. A more detailed analysis of data showing single-vehicle accidents on the ICC since opening to I-95 is underway in order to make a final decision on the speed limit increase with safety being the top priority. A final decision on the speed limit increase is expected in early 2013.

The ICC improves mobility and connectivity for Marylanders, whether they drive the roadway; use the roadway to access Metrorail, MARC or local transit services; use one of the Maryland Transit Administration's five commuter bus routes that operate on the ICC; or enjoy connections to bike trails and pedestrian paths. Studies have shown that trip times can be reduced by up to 70 percent by using the ICC. Information about bicycle trails built by the ICC project is now available online at mdta.maryland.gov.

An economic catalyst, the \$2.4 billion ICC is supporting 4,500 jobs involving more than 200 contractors in its construction alone, with \$330 million of its construction dollars designated for Disadvantaged Business Enterprise. The MDTA, which provided approximately half of the ICC's financing, owns and operates the highway. The State Highway Administration (SHA) is managing construction of the ICC.



The ICC interchange at Interstate 95 in Prince George's County.



Capital INVESTMENTS

Consolidated Transportation Program

The MDTA's current six-year Consolidated Transportation Program (CTP) is nearly \$2.3 billion, including projects to preserve our facilities for years to come. In FY 2013 alone, the MDTA's annual capital program is more than \$517 million.

Our CTP consists of 285 projects that range from small feasibility studies of \$25,000 to large-scale construction projects like the ICC/MD 200 and I-95 Express Toll LanesSM (ETLsSM). Projects are organized by three major components for the six-year program:

Construction Program:

43 projects with a total value of more than \$966 million.

Development and Evaluation Program:

3 projects with a total value of more than \$1.4 million.

Minor Projects Program:

239 projects with a total value of about \$1.3 billion.

Crews use a piece of equipment called a Snooper to perform preservation efforts at the Bay Bridge.

SYSTEM PRESERVATION

The MDTA focuses on System Preservation to ensure that its aging transportation infrastructure is safe and in good working condition. In addition to annual inspections and repairs based on findings, the MDTA has programmed projects to address regular maintenance needs such as deck sealing, painting, deck repair, deck replacement, substructure rehabilitation, superstructure repairs and full structure replacements. The expanded System Preservation Program for FY 2013 – 2018 is comprised of 254 projects with a total budget of more than \$1.7 billion.

BAY BRIDGE PAINTING

A project to clean and paint the structural steel components of the westbound Bay Bridge began in 2011. The project is being completed in four phases and includes the painting of girder, deck truss, through truss, and suspension spans, the suspension towers and steel rail posts. Phase 1, which includes cleaning and painting the steel girder spans just past the suspension span approaching the western shore, began in April 2011 and is expected to be complete by spring 2013. Phase 2, which includes removing the existing paint and repainting the structural steel below the roadway and the towers above the roadway, began in February 2012 and is expected to be complete by spring 2013. Two additional phases of westbound span painting are planned. All painting work is scheduled to be completed in FY 2015. The total cost of all four phases is close to \$100 million.

CURTIS CREEK DRAWBRIDGE

Crews replaced the bridge deck and performed other work on the Curtis Creek Drawbridge during 2012. Work included replacing the grid deck at the bascule span (portion that raises and lowers), replacing the steel floor beams and stringers, replacing the span lock machinery and lock access platforms and cleaning and painting the structural steel at the bascule span. The total cost of this work was \$14.5 million.



MILLARD E. TYDINGS AND HATEM BRIDGE PRESERVATION

The \$43 million preservation project to perform underwater foundation (concrete piers/bridge supports) repairs to the Millard E. Tydings Memorial Bridge (I-95 over the Susquehanna River) began in 2011. The project will be performed in three stages for each pier and is anticipated to be completed by late 2013. Ten of 13 bridge piers will be repaired – three piers are not located in the river and do not require work. To the extent possible, the project was designed to minimize the disturbance or loss of submerged aquatic vegetation beds. A similar project to perform underwater foundation and substructure repairs to the Hatem Bridge began in April 2012 at a cost of \$48 million and is expected to be complete by fall 2014.

OVERPASS BRIDGE PRESERVATION

In 2012, the MDTA began three additional bridge preservation projects on Interstates 95, 895 and 695. Throughout the Kennedy Highway in Baltimore, Cecil and Harford counties, a 1.5 year, \$6 million project began to clean and paint the structural steel on 11 overpass bridges. A 1.5 year, \$6.4 million project to clean and paint the structural steel on 11 overpass and ramp bridges along the Harbor Tunnel Thruway in Baltimore City and Anne Arundel, Baltimore and Howard counties is also being performed. Finally, north of the Key Bridge, crews are cleaning and painting the I-695 inner loop (eastbound) bridge over Bear Creek in Baltimore County as part of a 1.5 year, \$4 million project.

I-895 K-TRUSS BRIDGE PRESERVATION PROJECT

Necessary work to preserve and resurface the 55-year-old “K-Truss” steel bridge deck on I-895 south of the Baltimore Harbor Tunnel required an eight-week duration of continuous (24/7) single lane closures. The project consisted of



Underwater foundation repairs began at the Millard E. Tydings Memorial Bridge in 2011.

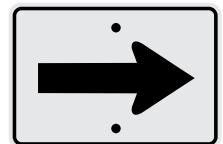
resurfacing the concrete deck as well as work on the approach roadways in Baltimore City at a cost of \$5 million. Due to the extensive nature of the project and potential for significant delays during morning and evening rush hours and peak-travel periods, the MDTA initiated extensive public-outreach efforts regarding the project. Project flyers were developed for each phase of the project, and the work was promoted extensively via radio, other local media outlets and social media.

I-695/QUARANTINE ROAD

In August 2012, the MDTA began a project to preserve and resurface the Quarantine Road bridge over I-695 just south of the Key Bridge. The Quarantine Road bridge was reduced to one lane in each direction continuously for approximately five months and the ramp from westbound I-695 to Quarantine Road (Exit 1) also was reduced from two lanes to one. Concrete barrier walls separate traffic from the work zone and opposing vehicles. The project is ongoing.

BAY BRIDGE CABLE REWRAPPING AND DEHUMIDIFICATION

A 2.5-year, \$54 million project to rewrap the main suspension cables and install a dehumidification system on both spans of the Bay Bridge began in fall 2012. Rewrapping the suspension cables involves removing the existing neoprene coating and wrapping the cables with a new neoprene coating. As an extra layer of protection, the dehumidification system will help reduce potential moisture within the cables by injecting dry air into the cables.



PLANNING STUDIES

US 301 HARRY W. NICE MEMORIAL BRIDGE IMPROVEMENT PROJECT

The US 301 Nice Bridge Improvement Project studied how to span the Potomac River with a crossing that is geometrically compatible with the US 301 approach roadways, will provide sufficient capacity to carry projected traffic volumes in 2030, will improve traffic safety and will provide the ability to maintain two-way traffic flow during maintenance and incidents.

The final environmental documents for the Preferred Alternate were signed by the Federal Highway Administration (FHWA) and MDTA in December 2012. The Preferred Alternate consists of a new, barrier-separated four-lane bridge installed parallel to and north of the existing bridge, with a two-way bicycle/pedestrian path along the south side, and removal of the existing bridge. No funding is currently available for future project phases, including final design, right-of-way and construction. However, the MDTA is developing financial forecasts and long-term strategies for potential funding mechanisms for a new Nice Bridge. The estimated \$850 million project (2012 dollars) is eligible for federal funds.



Governor Harry W. Nice Memorial Bridge (US 301)

I-95 FMT CARROLL CAMDEN ACCESS STUDY

The study, expected to be completed in late 2012, is evaluating alternatives to improve access to and facilitate the development of the Carroll Camden area in Baltimore City, south of the Fort McHenry Tunnel. Improved safety and operations along I-95 between Caton Avenue (Exit 50) and Hanover Street (Exit 54) also is being studied.

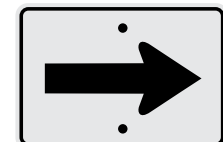
The current study was launched as a follow-up study to the 2004 I-95/Carroll Camden Access Feasibility Study. The previous study team developed four concepts that included new or existing ramps, flyover ramps or ramp replacements at various locations along I-95. Study results indicated that access improvements between I-95 and the Carroll Camden area are geometrically feasible; however, there would be a negative impact on the operations of I-95 if additional interchanges were added, and the project would be extremely complex and costly.

ALL ELECTRONIC TOLLING (AET) CONVERSION AND PRIORITIZATION STUDY

The study, expected to be complete in spring 2013, plans for the conversion of Maryland's seven toll plazas to all electronic tolling (AET). AET would provide toll collection at highway speeds through the electronic methods of *E-ZPass*® and video tolling, just like on the Intercounty Connector (ICC)/MD 200. The advantages of such a transition could include reduced travel time; increased safety/reduced crashes; alignment with national practice, which is shifting to AET; potential long-term reduction in toll collection and maintenance costs; and potential for variable tolling or ease of toll rate increases.

The study is evaluating the following three components: physical conversion of the existing toll plazas to AET; changes within MDTA to accommodate removal of toll plazas; and prioritizing the conversion order of MDTA's facilities based on traffic composition, cost, potential revenue impacts and other operational considerations. A timeframe has not been determined for converting any specific toll plazas to AET.

The MDTA's Enterprise Geographic Information System (GIS) continues to provide a unified view of data provided from Engineering, Finance, Operations, Police and Administration. MDTA's GIS fully supports commonly used data elements and integrates seamlessly with other state and local GIS applications via web services. It is also available on laptops for responding to disaster situations like hurricanes or grid failure. The application provides real-time services (traffic flow, active incidents and construction, live camera pictures, dynamic message signs, weather, etc.), right-of-way boundary determination for property issues, utilities and bridge diagrams for repairs, environmental planning and State Stat data.



I-95 TRAVEL PLAZA REDEVELOPMENT

On Jan. 23, 2012, the MDTA Board voted to approve an innovative 35-year agreement with Areas USA MDTP, LLC, to redevelop and operate the Maryland House and Chesapeake House travel plazas. The agreement is the State's newest public-private partnership (P3) following the award-winning P3 agreement with a private partner to improve and operate the Seagirt Marine Terminal at the Port of Baltimore.



NEW CHESAPEAKE HOUSE TRAVEL PLAZA

Areas USA will invest \$56 million to redesign and rebuild both the 48-year-old Maryland House and 36-year-old Chesapeake House travel plazas and will operate and maintain the plazas through 2047. The State retains ownership and oversight of the travel plazas, while receiving revenue over the course of the agreement estimated at more than \$400 million. The agreement also will bring an estimated 400 jobs to the State. Areas USA has put together a team to construct and operate the new travel plazas that is comprised of many Maryland firms, several of which are minority-owned or women-owned businesses.



NEW MARYLAND HOUSE TRAVEL PLAZA



Throughout the redevelopment,

Areas USA will keep one travel plaza open to serve customers. The Maryland House closed in September 2012 and is expected to reopen in fall 2013/winter 2014. The redevelopment plan includes contemporary design, additional bus parking, free WiFi, gas and food services and a staffed Welcome Center.

The Maryland House will be rebuilt in exactly the same location, while the new Chesapeake House will be built adjacent to its current site. Planned facilities to be built by Areas USA under this agreement will be LEED certified and include “green” features such as solar panels to power exterior lighting, high efficiency interior lighting, a “green” roof and drainage systems that will harvest rainwater.

I-95 IMPROVEMENTS

I-95 EXPRESS TOLL LANESSM (ETLSSM)

The I-95 ETLs Project is located along eight miles of I-95 from the I-95/I-895 interchange in northeast Baltimore to just north of MD 43 in White Marsh. The ETLs Project is critical to bringing relief along the most congested part of I-95 north of Baltimore and will offer motorists a choice to travel the general-purpose lanes at no cost as they do today or pay a toll to use the relatively, congestion-free ETLs. Similar to the ICC, the ETLs will be all-electronic, and tolls will be paid via *E-ZPass* and video tolling. Toll rates will vary based on vehicle type, time of day/day of the week and payment method.

Access to the southbound ETLs will be available in two locations – along I-95 just north of MD 43 and from the I-95/MD 43 interchange. Access to the northbound ETLs will be available at three locations – at the I-95/Moravia Road interchange, from I-895 south of I-95 and along I-95 south of I-895.

I-95 at I-695 Interchange



Rendering of the reconstructed interchange at the John F. Kennedy Memorial Highway (I-95) and MD 43

In 2012, a \$142.6 million project began to reconstruct the I-95/MD 43 interchange at the north end of the ETLs. Work involves widening I-95, replacing the MD 43 bridges over I-95 and linking the future I-95 ETLs with MD 43. The I-95/MD 43 interchange reconstruction is creating 400 new jobs. The project will provide Baltimore County residents and MD 43 motorists access to and from the I-95 ETLs, enhancing operations and safety at the interchange for years to come.

The I-95 ETLs are expected to be fully operational in 2014.

I-95 BRIDGE PAINTING

A \$3 million project was undertaken to preserve seven bridges on or over the John F. Kennedy Memorial Highway by cleaning and painting their structural steel. Full painting will help maintain the bridges' structural integrity. This is the first time these bridges have been fully painted. They were built in 1963, with widening performed in 1970 or 1971 to accommodate increased traffic. The project was completed in late 2012.

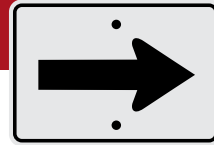
I-95 RESURFACING

A 1.5 year, nearly \$13 million project began to resurface northbound and southbound I-95 between Joppa Road and Winters Run Road. The work includes grinding and patching existing pavement, resurfacing with hot mix asphalt and installing new striping, rumble strips and pavement markers.

I-95 BRIDGE DECK SEALING

A six-month, nearly \$480,000 project to seal bridge decks on nine overpasses crossing I-95 in Harford and Cecil counties began in September 2012. The contractor is working on one bridge at a time, starting from the southern-most overpass (Old Joppa Road over I-95) to the northern-most overpass (Appleton Road [MD 316] over I-95). The project is expected to be complete in spring 2013.

SAFETY



Public outreach and education is a significant component of this effort. Safety messages emphasize “Stay Alert So No One Gets Hurt” and “Choose Safety for Life.” In partnership with the State Highway Administration, the MDTA provides motorists with tips to drive safely through construction work zones and focuses on four key areas to help make Maryland roads safer and more secure: education, engineering, enforcement and emergency medical services. In addition, the MDTA continued its Bay Bridge safety campaign, in which “Spokesbirds” Spike and Otis emphasized safety tips and the best times for traveling the bridge.

FACILITY INSPECTIONS

The MDTA is committed to maintaining the safety and integrity of Maryland’s transportation infrastructure. Over the last five years, the MDTA has strengthened its bridge and tunnel inspection program by increasing budgets devoted to inspections, supplementing staff dedicated to inspections, instituting requirements for more comprehensive “hands-on” inspections and enhancing procedures for addressing identified deficiencies.

Independent, certified and nationally experienced engineering firms inspect all bridges, tunnels, roadways, lighting and signage annually, which exceeds federal inspection standards. Inspections are performed from September through June each year. In 2012, 25 consultant and subconsultant firms performed more than \$14 million in inspection services. All facilities were found to “be maintained in good repair, working order, and condition.”

In 2012, MDTA inspected 15 box culvert structures and 299 bridges, including the large and complex signature structures. The National Bridge Inspection Standards (NBIS) for bridge structures require

As the MDTA preserves and improves Maryland’s highways, tunnels and bridges, our top priority remains the safety of our customers and our employees. We are committed to keeping Maryland’s families and visitors and our employees and construction workers safe and make every effort to prevent traffic fatalities and injuries by inspecting our facilities, enforcing motor-vehicle laws, educating our customers and coming to the aid of stranded motorists.

separate and specific condition ratings for the primary components of each bridge. These components are the deck, superstructure (beams, girders, etc.) and substructure (piers and abutments). The information below is from the NBIS data provided to the Federal Highway Administration in April 2012.

The 2012 condition ratings for each component of MDTA’s signature structure bridges are as follows:

	Deck	Superstructure	Substructure	NBIS Condition Rating Codes:
Francis Scott Key Bridge	6	6	6	0 Failed
Bay Bridge (eastbound)	5	6	6	1 Imminent Failure
Bay Bridge (westbound)	5	5	5	2 Critical
Thomas J. Hatem Bridge	8	6	6	3 Serious
Harry W. Nice Bridge	5	5	5	4 Poor
Millard E. Tydings Bridge	6	5	6	5 Fair
				6 Satisfactory
				7 Good
				8 Very Good
				9 Excellent

All MDTA bridges will allow for legally-loaded vehicles, emergency vehicles and school buses to traverse safely. MDTA has just four bridges classified “structurally deficient.” Three of these bridges are currently under construction and the fourth is in design for complete replacement expected to begin in 2014.

The MDTA also inspects the Baltimore Harbor and Fort McHenry tunnels using guidelines and rating criteria similar to the bridge inspection program. In 2012, the Fort McHenry Tunnel was given an overall rating of 6 (Satisfactory) and the Baltimore Harbor Tunnel received a 5 (Fair).

BAY BRIDGE SAFETY STUDY

The MDTA recently completed an evaluation of additional safety measures that could possibly be implemented at the Bay Bridge during “two-way” traffic

operations. The study concluded that enhancements should be made to the current lane markings on the westbound span, including the addition of a painted buffer and continuous rumble strips. These enhancements will provide additional visual and physical guides designed to help drivers stay alert and stay in their lane during two-way operations, in which the

left lane of the westbound span is reversed for use by eastbound motorists.

Installation of the new lane markings and rumble strips is expected to begin spring 2013 before the next summer travel season. The MDTA will monitor the performance of these improvements and consider if those same improvements would be applicable to the eastbound span, where two-way traffic may be used to accommodate maintenance/construction on the westbound span. The study workgroup was comprised of members of Parsons Brinckerhoff, Inc., a nationally recognized consultant firm, along with MDTA traffic and structural engineers, operations and police team members.

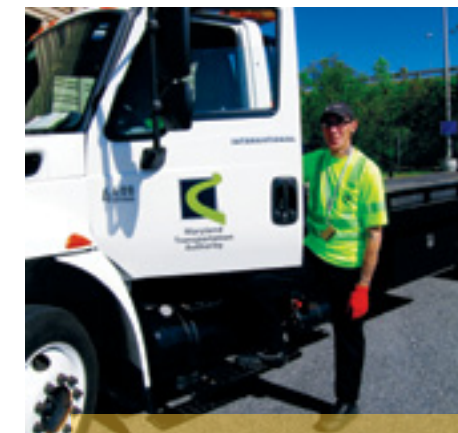


Independent, certified and nationally experienced engineering firms inspect all bridges, tunnels, roadways, lighting and signage annually, which exceeds federal inspection standards.

COURTESY PATROLS

Courtesy Patrols, staffed by our Vehicle Recovery Technicians (VRTs) and Emergency Response Technicians (ERTs), are vital to improving service and safety on our roadway, especially with the many work zones agency-wide. By assisting drivers of disabled vehicles with gasoline, flat tires and other minor repairs, patrols minimize the risk for crashes and potential congestion from stopped vehicles – a necessity for facilities without roadway shoulders like our bridges and tunnels.

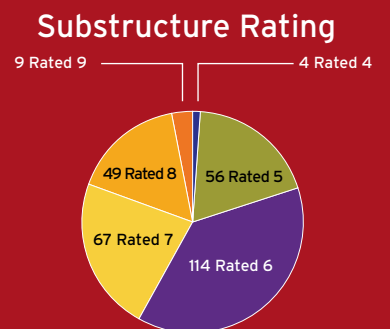
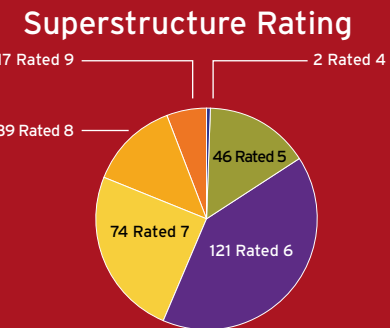
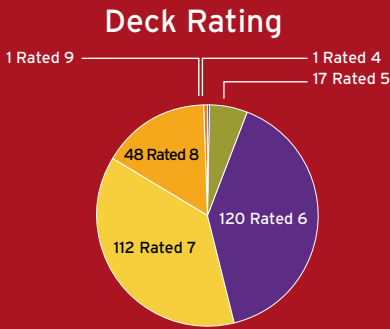
VRTs and ERTs also assist with incident management efforts and tow disabled vehicles to expedite emergency response and clearing of incidents. VRTs are crucial to keeping traffic moving during rush hours, holiday travel periods and other peak-travel times, as well as during major weather incidents. Courtesy Patrols provide 24-hour coverage at the Bay Bridge, the ICC and the two tunnels; operate 16 hours-a-day, seven days-a-week at the Kennedy Highway; and, when staffing levels permit, 16 hours-a-day, five days-a-week at the Key Bridge.



Vehicle Recovery Technician Ryder Malone

In 2012, patrols assisted drivers of more than 35,000 disabled vehicles, removed more than 2,700 of those vehicles from MDTA roadways and changed more than 6,200 flat tires, returning most vehicles to the road within 15 minutes. In 2012, appreciative customers sent more than 150 emails and letters commending the patrols and our employees.

The following charts summarize the condition ratings by component for the 299 bridges MDTA inspects.



NBIS Condition Rating Codes:

- 0 Failed
- 1 Imminent Failure
- 2 Critical
- 3 Serious
- 4 Poor
- 5 Fair
- 6 Satisfactory
- 7 Good
- 8 Very Good
- 9 Excellent

E-ZPass Customer SERVICE

April 2012 marked 13 years of electronic toll collection in Maryland. In those 13 years, *E-ZPass* use has consistently grown each year. More than 1,000,000 *E-ZPass* Maryland transponders are on the move, and 72% of all traffic at the MDTA facilities uses *E-ZPass* to pay tolls electronically. In fact, 74% of customers using the Key Bridge pay by *E-ZPass* and 85% pay by *E-ZPass* on the ICC — the State's first all electronic toll facility.

In its continuing efforts to create *E-ZPass* Passage throughout Maryland, the MDTA enhanced customer service and improved tolling operations at its facilities:

➔ More than one million customers contacted the *E-ZPass* Maryland Customer Service Center in 2012 and received assistance.

➔ On Feb. 1, the MDTA began its new *E-ZPass* Maryland plans for motorists who travel the Hatem Bridge. The Hatem Bridge *E-ZPass* plans offer customers two choices to continue receiving annual unlimited trips as previously offered with the AVI Decal, which was eliminated effective Sept. 30. The MDTA held community open houses and visited other community locations, businesses and events to offer customers the opportunity to learn about and enroll in Hatem Bridge *E-ZPass* plans.

➔ The MDTA submitted legislation in January 2013 seeking enhanced enforcement capabilities to recover tolls due from toll violators. Approximately 99% of our customers do pay their tolls. The new legislation targets the 1% who do not pay. Currently, the MDTA is referring delinquent accounts to the



Charlene Mann, Fort McHenry Tunnel Stop-In Center

MD Central Collections Unit (CCU), and the Executive Secretary is in direct negotiation with executives of rental-car companies. The CCU is also reporting scofflaws to credit-rating agencies.

➔ In November 2012, the MDTA began a new *E-ZPass* marketing campaign that included billboards, radio, toll-lane handouts, retail site materials, a van wrap and Stop-in Center fliers and posters. The "On The Go" portion of the campaign featured "Rudy" the reindeer and the general *E-ZPass* messaging featured a cheetah to "Get There Faster With *E-ZPass*." Two previous "On The Go" holiday season marketing campaigns proved to be successful as we saw spikes in the number of new *E-ZPass* customers.

➔ A study is underway to examine the potential for All Electronic Tolling (AET) at MDTA toll facilities. AET affords motorists the full benefits of electronic toll collection by recording transactions at highway speeds without toll plazas. AET eliminates vehicle queuing and congestion at toll plazas, which promotes



E-ZPass lanes at the Hatem Bridge.

safety, saves motorists money, reduces pollution and improves the overall quality of life for commuters and communities. AET is the toll collection method used on the ICC and planned for the I-95 Express Toll Lanes.

➔ The MDTA's *E-ZPass* Outreach Team continued to provide information to large employers, businesses and civic organizations on how to use the ICC and get *E-ZPass*. The team was instrumental in a successful transition from AVI decals to the Hatem Bridge *E-ZPass* Plans – reaching out to more than 1,900 customers during 50 events. In total during 2012, the group sold 1,014 *E-ZPass* transponders and shared information with more than 8,700 citizens during 192 local events and visits to area businesses.

The *E-ZPass* Outreach Team participated in local events and visited area businesses.



This agency vehicle was "wrapped" to provide another marketing opportunity.

"Rudy" the reindeer was featured in the MDTA's 2012 *E-ZPass* "On The Go" holiday marketing campaign.

HASSLE FREE HOLIDAY TRAVEL. IT DOES EXIST.

Available at the Nice Bridge *E-ZPass* Stop-In Center.

Benefits Include:

- 10% off Maryland cash toll rates*
- Discount plans for commuters*
- Accepted from Maryland to Illinois and Virginia to Maine
- No waiting at the toll plaza
- Reduced emissions
- Convenient automatic credit card replenishment

*Excludes the Intercountry Connector (ICC)/MD 200.



GET THERE FASTER
ezpassmd.com



Law ENFORCEMENT

The nationally accredited Maryland Transportation Authority (MDTA) Police force comprises more than 600 sworn and civilian professionals. Every day, officers keep Maryland's citizens and visitors safe and secure as they use vital transportation assets like MDTA bridges, tunnels, and highways, the Port of Baltimore and BWI Thurgood Marshall Airport.

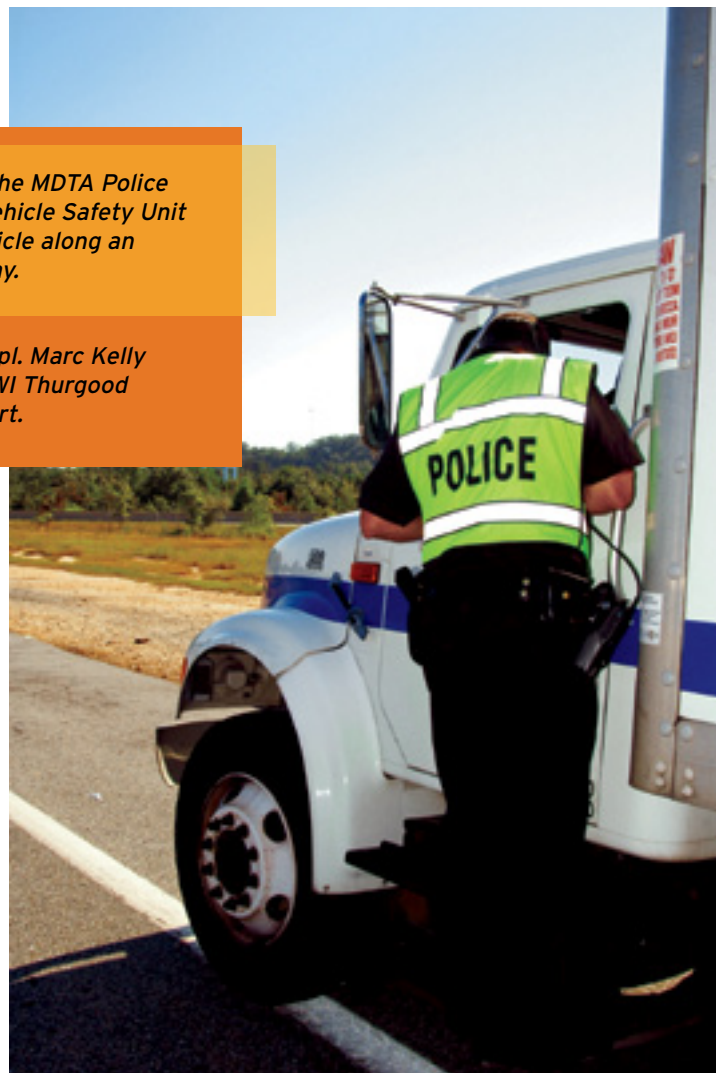
Throughout the year, MDTA Police hit the roads to enhance travel safety by targeting impaired and aggressive drivers through initiatives like the Smooth Operator Program. The Smooth Operator Program is a cooperative effort among law-enforcement agencies in Maryland, Pennsylvania, Virginia and the District of Columbia to reduce the number of crashes caused by aggressive driving. In addition,

MDTA Police held DUI checkpoints and participated in the "Click It or Ticket" campaign for seatbelt enforcement.

To increase traffic and criminal enforcement, the MDTA Police uses Interagency Traffic initiatives and DUI and security check points. In 2012, officers made 584 criminal arrests, 715 arrests for suspected DUI offenses and issued

A member of the MDTA Police Commercial Vehicle Safety Unit inspects a vehicle along an agency roadway.

MDTA Police Cpl. Marc Kelly on patrol at BWI Thurgood Marshall Airport.

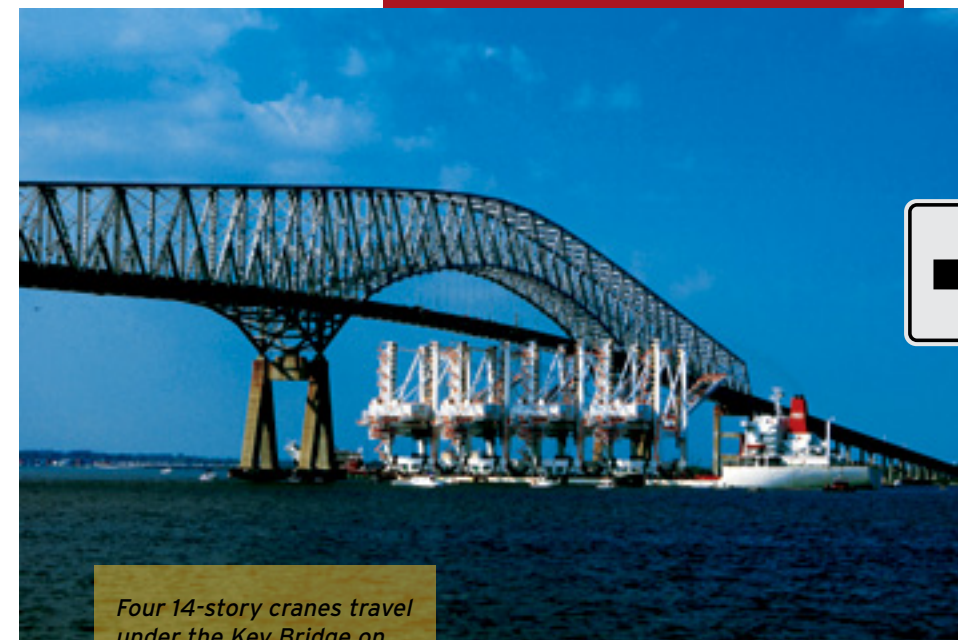


59,125 traffic citations and 97,535 traffic warnings – of which more than 1,900 were for DUI offenses and more than 7,600 were for seatbelt-related citations and warnings. In addition, numerous separate large-scale drug seizures were made, including more than 17 lbs. of marijuana, 22 lbs. of marijuana, 11 lbs. of heroin, 209 grams of cocaine, 62 lbs. of Khat, 248 hits of LSD and 4.9 grams of heroin divided into 490 packets.

In 2012, the Commercial Vehicle Safety Unit (CVSU) inspected 25,360 vehicles. In addition, 4,488 vehicles were found to be overweight. The unit took 3,652 vehicles and 1,880 drivers out-of-service to help preserve our roadways and facilities.



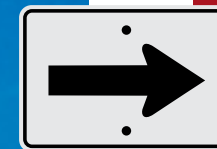
MDTA Police Sr. Ofc. Vance Belcher issues a citation following a traffic stop.



Four 14-story cranes travel under the Key Bridge on their way to the Port of Baltimore.

OTHER LAW ENFORCEMENT HIGHLIGHTS INCLUDE:

- ➔ A Graduation Ceremony was held on Feb. 2, for MDTA Police Class 44. Twenty-five police recruits graduated after training for 31 weeks at the MDTA Police Academy.
- ➔ The MDTA Police hosted its third annual Police Cadet Career Night on March 30. More than 50 young men and women participated in the event, which provided high school seniors and graduates – ages 17-20 – information about becoming an MDTA Police Cadet. Cadets receive training and work alongside MDTA Police officers until they are eligible to enter the MDTA Police Training Academy.
- ➔ On June 20, officials held traffic on the Bay and Key bridges as a marine vessel carrying four 14-story cranes made its way to the Port of Baltimore. MDTA engineering, operations and police coordinated efforts with the U.S. Coast Guard and the Pilot's Association.
- ➔ On July 16, the MDTA Police Academy was re-named in honor of fallen MDTA Police Ofc. Grant Turner, who lost his life on July 16, 2005. The 24 year-old was a member of MDTA Police Academy Class 37. The Class was participating in a 5K run in honor of fallen MDTA Police Ofc. Duke G. Aaron III, who was killed in the line of duty on July 20, 2004. Officer Turner collapsed after completing the race and died later that morning. He was promoted posthumously to the rank of Officer I.



Homeland SECURITY

Governor Martin O'Malley continues to make homeland security a top priority for the state of Maryland. The MDTA Police work directly with the Maryland Emergency Management Agency (MEMA) to provide incident management and terrorism prevention services to the citizens of Maryland. Officers also partner with federal, State and local officials as part of the Maryland Coordination and Analysis Center (MCAC) and the Joint Terrorism Task Force (JTTF).

MARYLAND STATE COMMUNICATIONS INTEROPERABILITY PROGRAM

On June 5, Governor Martin O'Malley joined Executive Secretary Harold Bartlett and other State and local officials in making the ceremonial first call on the Maryland First Responders Interoperable Radio System Team or "Maryland FiRST" – the new statewide 700 MHz radio system. "Maryland FiRST" will provide statewide interoperable communications to connect Maryland's first responders on one secure radio system.

The ceremonial first call made by Governor O'Malley connected Maryland State Police (MSP) at the Kennedy Highway Barracks, MSP Headquarters in Pikesville, the MDTA Police at the Bay Bridge and the Kent County Emergency Communications Center on one digital, secure radio system.

This first phase of Maryland FiRST became fully operational in 2012. The connection covers central Maryland, Kent County and key infrastructure patrolled by the MDTA Police. The next phase will build out the system on the Eastern Shore by the end of 2013. The entire Maryland FiRST system is anticipated to be complete by 2016.

ADDITIONAL HOMELAND SECURITY HIGHLIGHTS

→ Effective Feb. 3, MDTA Police began using the Common Language Protocol in lieu of the ten-code system. The Common Language Protocol is expected to improve communication and reduce confusion, especially during multi-jurisdictional incidents or any time different agencies are required to communicate on the radio. For example, under the new system,

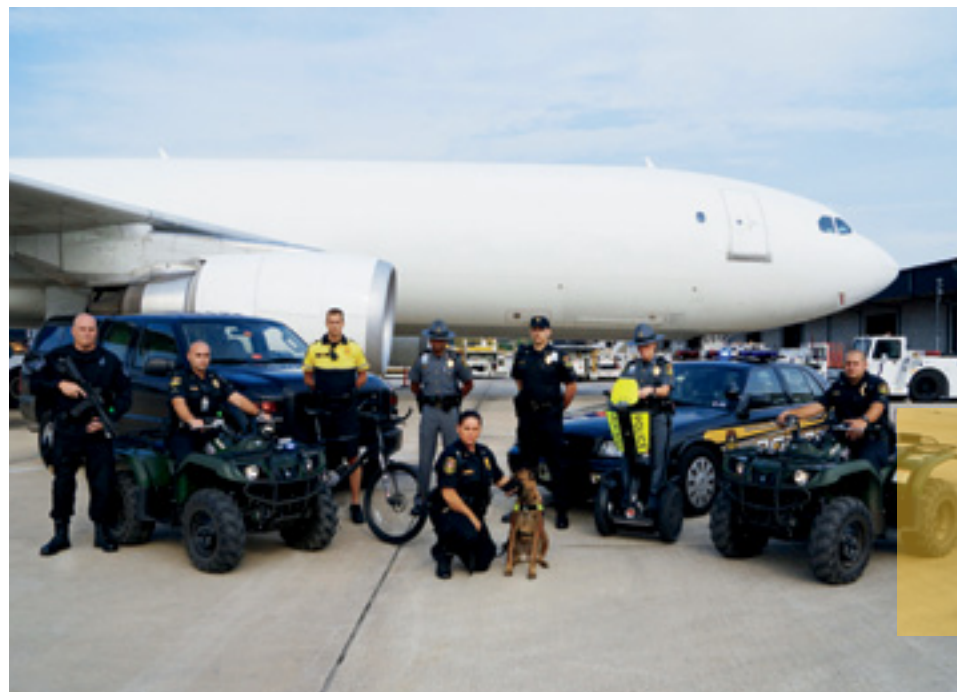
a telecommunications officer or police officer will say "disabled vehicle" rather than 10-46. An additional requirement is the use of the standard phonetic alphabet when conducting radio communications. This new policy is consistent with Governor O'Malley's public-safety initiative to implement the Maryland Statewide Communications Interoperability Program.

→ Under Governor O'Malley, the State has focused its transportation security efforts on conducting comprehensive vulnerability assessments and hardening key transportation assets such as airports, ports, bridges and tunnels with physical countermeasures including CCTV and access control systems, and integrating various security enhancements to create redundant and multilayered protection. Successfully securing Maryland's transportation assets requires coordination between many agencies, across jurisdictional boundaries and with private sector partners. To that end, the MDTA is working to ensure that the shorelines and anchorage islands of the State's bridges are protected by anti-climbing fencing, razor wire and electronic fence sensors at these targeted areas. If the fence sensors are activated by movement, an alarm will be triggered at the central security operations center. Also underway is an electronic bridge security project, which



The MDTA Police use various strategies to help protect the MDTA's facilities, including K-9.

Ofc. Nina Sandridge and



The MDTA Police's homeland security efforts are visible at BWI Thurgood Marshall Airport.

includes additional lighting, above and below roadway cameras and stopped vehicle detection analytics for the major bridges. This initiative is slated for completion in 2013.

→ The MDTA Police continued to oversee security and law-enforcement patrols of MARC rail transportation.

→ The MDTA Police worked with the Department of Homeland Security's Visible Intermodal Protection and Response (VIPR) Team deployments. VIPR teams consist of MDTA Police Special Response Team officers, Behavior Detection Officers, Federal Air Marshalls, Explosives-Detecting Canine Teams, Transportation Security Inspectors and officers. State and local police officers, who operate in the airport environment as an additional layer of security, also compose VIPR teams.



The MDTA joins the O'Malley-Brown Administration in its Smart, Green & Growing initiative, in which Marylanders are coming together to strengthen the State's economy, protect the environment and improve our quality of life.

EARTH DAY

MDTA employees celebrated the small steps they could take throughout April – and all year – to live in a more “Earth-friendly” way.

Week of April 2
“Bring Your Lunch to Work” Week

Week of April 9
“Paper-free” Week

Week of April 16
“Lights Out” Week

Week of April 23
“Reuse” Week

RENEWED RECYCLING EFFORTS

Over the last five years, the MDTA has steadily increased its recycling numbers. In 2008, the MDTA reported a recycling rate of 5.38%; in 2011 (most-recent data available), the recycling rate increased to 23.8%. These numbers include the following recyclable commodities: paper, cardboard, batteries, rubber, fluorescent lamps, bottles and cans. Approximately 175,000 kilowatt (kW) hours of energy and more than 2,300 pounds of air

pollution effluents were conserved by recycling paper. Our automotive shops recycle scrap metal, concrete, sweeper dirt, sludge/wastewater, wood and used oil. Together, the combined efforts of our office and shop personnel resulted in recycling 1,205.39 tons of materials in 2011.

Our recycling 38.51 tons of paper and cardboard led to the conservation of:

- 655 trees (35 feet in size)
- 116 cubic yards of landfill space
- 267,645 gallons of water
- 77 barrels of oil

In addition, the MDTA recycled 1.12 tons of bottles and cans, which led to additional conservation of:

- 4,753 kW hours of energy
- 7 cubic yards of landfill space



ENERGY CONSERVATION & GREENHOUSE GAS REDUCTIONS

With assistance from Energy Systems Group (ESG) – the MDTA's energy-services contractor – the agency is halfway through a one year, \$8.1 million project to upgrade and install energy-efficient equipment and systems at its facilities. Over the next 14 years, the MDTA will realize a direct energy savings of \$13 million and \$3 million in operations and maintenance savings.

The MDTA is initiating an Energy Management Control System to monitor and control the HVAC systems in our facilities. With this program, we will be able to more easily cycle down facility systems when buildings are not occupied. The system currently in use at MDTA Headquarters (2310 building at Point Breeze) has reduced kilowatt hour usage by 15% each year since it was installed in January 2009.

The MDTA also enrolled in an energy-curtailement program with Energy Curtailment Specialists, Inc. In this program, the MDTA will shut down facility energy loads during regional and national peak-demand periods. We will have 20 major facility buildings in the program and will help reduce power-grid demand and greenhouse gases in the area.

SOLAR PANELS AT THE KEY BRIDGE

Dozens of 270 Watt poly crystalline solar panels (also called photovoltaic cells) were installed on the Key Bridge Maintenance Building. Photovoltaic (PV) cells work by accumulating energy from a natural light source (i.e. sunlight). That energy is then harvested through semiconductors, which are used to supply power via an electrical current. If the MDTA becomes eligible



The Fort McHenry Tunnel Rain Garden.

Employee Tony Salinas moves recycled ceiling tiles.

for Solar Renewable Energy Certificates (SRECs), the agency could save as much as \$9,000 per year in energy costs. The anticipated energy savings from the solar panel installation is approximately 23,400 kilowatt hours (kWh) per year. That's enough kWh to reduce the carbon dioxide emissions caused by a year's worth of electricity usage from two homes.

LED LAMPS

The MDTA's Division of Engineering issued a contract to replace the current high pressure sodium (HPS) lighting fixtures on the Key Bridge. More than 70 fixtures were replaced with light emitting diode (LED) lamps. The life expectancy of the LED lamps is more than 50,000 hours. Since LEDs are not filament-based, vibrations from bridge traffic are not an issue. In addition to significant savings in maintenance costs, the LEDs are estimated to reduce energy costs by as much as 10%.

FORT MCHENRY TUNNEL RAIN GARDEN

Despite Maryland's drought conditions, the rain garden at the Fort McHenry Tunnel is doing well. The rain garden was successfully created by the 2011 Employee Mentoring Leadership Program. Various plants are filtering nutrients that would be harmful in abundance to the Chesapeake Bay waters, are attracting pollinators and are buffering erosion and sediment loss. Sediment loss from storm water run-off is the number one pollutant of the Chesapeake Bay within Maryland.



Communications and COMMUNITY

SOCIAL MEDIA

The MDTA's first Twitter post occurred on Oct. 20, 2011, with a tweet related to the Intercounty Connector and continued with providing safety and "how to use the ICC" tweets. The MDTA entered the world of Facebook on May 11, 2012, with the introduction of a Spike and Otis "spokesbirds" page coupled with Bay Bridge safety and 1-877-BAYSPAN (229-7726) messages on both Facebook and Twitter.

The MDTA expanded its Twitter and Facebook presence in fall 2012 to cover all of its facilities. Social media has become another important outlet for our customers to get up-to-the-minute information about our facilities throughout the State. Events such as powerful summer thunderstorms, unexpected bridge closures and Hurricane Sandy made Twitter an especially vital resource due to its ability to reach customers quickly and allow media outlets to re-tweet our messages directly to their followers. In a little more than one year, the MDTA has sent more than 1,000 tweets and has garnered more than 1,500 Twitter followers and more than 2,100 "likes" on Facebook.



In 2012, the MDTA's Division of Communications (DOC) continued to keep customer service at the forefront of the agency's operations. Using public relations, education efforts and grassroots marketing, the team is committed to providing customers with the tools necessary to plan their daily commutes and their vacations.

The 1-877-BAYSPAN (229-7726) hotline for 24/7 Bay Bridge traffic conditions continues to be an invaluable resource for residents, commuters and travelers and is coordinated with Maryland's new 511 traveler information system. In 2012, the hotline received more than 1.3 million calls. The baybridge.com web site remained an extremely popular information source, with nearly 598,000 unique visitors accessing the web site during 2012, a remarkable 460,000 of which were first-time visitors. In addition, more than 14,300 baybridge.com visitors are registered to receive email alerts. The DOC generates the email alerts – 55 Bay Bridge alerts were sent in 2012 – providing information about major incidents, lane closures, bridge services and safety efforts.

The agency's mdta.maryland.gov web site continued to provide valuable information about all facets of the agency. Nearly 446,000 unique visitors browsed the site in 2012.



HURRICANE SANDY

MDTA employees showed their continued commitment to keeping our roadways safe for Maryland's citizens and visitors during Hurricane Sandy. Our employees prepared for days in advance of the hurricane and faced the event head-on to meet the challenges that were presented.

The Bay Bridge was closed during the storm for a record-breaking 18.25 hours (it was closed for 16 hours and 50 minutes during Hurricane Isabel in 2011). Wind gusts reached 90 mph and sustained winds were clocked at 74 mph. During the storm, the Key Bridge was closed for nearly 9.5 hours, and the Hatem Bridge was closed for approximately 13.25 hours.

Thankfully, no damage to our facilities or major incidents occurred during this weather event. Social media proved to be an integral part of the MDTA's efforts to communicate effectively and efficiently during the storm.

The state of Maryland implemented a series of steps to help the rapid movement of relief assets to the areas of the northeast impacted by Hurricane Sandy. From 3 p.m. on Nov. 2, through midnight on Nov. 20, relief workers who traveled through Maryland toll facilities were not charged a toll.

OTHER CUSTOMER-SERVICE AND COMMUNITY HIGHLIGHTS FOR THIS YEAR INCLUDED:

➔ During 2012, DOC staff handled more than 5,600 customer calls, emails and pieces of correspondence and 677 media inquiries. In addition, 146 traffic advisories and news releases were provided to media outlets.

➔ Spike and Otis "spokesbirds" continued to emphasize safety tips, travel tools and the best times for traveling the Bay Bridge.

➔ The I-95ExpressTollLanes.com web site provided project information to nearly 56,000 visitors during 2012.

➔ MDTA employees participated in numerous events and activities to benefit Special Olympics Maryland:

- Members of the MDTA Police Plungers raised more than \$3,500 by participating in the 16th Annual Polar Bear Plunge.
- The MDTA Police participated in the annual Law Enforcement Torch Run – the largest grassroots fund-raiser and public awareness vehicle in the world for Special Olympics.
- The MDTA Police and MDTA staff hosted the Fort McHenry Tunnel 5K Run/Walk on Sept. 16. Participants ran or walked through the right northbound tunnel tube and raised nearly \$50,000.

➔ The Annapolis Open Baseball Tournament was held March 18-20 in memory of MDTA Police Officer Grant Turner, who passed away after participating in the Duke Aaron 5K Memorial Run with fellow members of the 37th Police Academy Class. The tournament raised \$35,000 for the Grant Turner Memorial Fund, which provides college scholarships in Grant's name.

➔ The MDTA hosted students from Sollers Point High School on May 8 during Shadow Day 2012.

➔ The MDTA Police detachments participated in local events including Dundalk's annual Fourth of July Parade and the Town of Centreville's National Night Out. In addition, MDTA Police, Communications and Operations Center employees at the Bay Bridge donated school supplies for the seventh year for the Anne Arundel County "Back to School" program.

➔ The MDTA participated in a Safety Day Open House at the Aberdeen Proving Grounds on Sept. 26. Staff brought a recovery vehicle and provided information regarding travel plaza renovations and E-ZPass.

➔ MDTA Police and operations personnel dedicated many hours preparing for and staffing the second annual Baltimore Grand Prix held Aug. 31 - Sept. 3.



The Fort McHenry Tunnel 5K Run/Walk was held Sept. 16.

➔ The MDTA Police and MDTA staff hosted another successful Toys for Tots campaign in December marking the 23rd year the MDTA has participated in this program. More than 5,900 toys and \$7,600 were collected during the 2012 campaign. Since 1990, more than 133,000 toys and \$99,000 has been collected from MDTA customers and employees.

AWARDS

INDUSTRY AWARDS

- ➔ 2012 – Maryland Quality Initiative (MdQI) Modal Award of Excellence - Hatem Bridge Deck Replacement
- ➔ 2012 – Maryland Quality Initiative (MdQI) Partnering Gold Award of Excellence - Hatem Bridge Deck Replacement
- ➔ 2012 – American Road & Transportation Builders Association's Globe Award - ICC
- ➔ 2012 – Gold Hermes Creative Award - I-95/MD 24 Project
- ➔ 2012 – Maryland Employer Support of the Guard and Reserve's "Above and Beyond" Award
- ➔ 2012 – Conference of Minority Transportation Officials' (COMTO) Inter-Modal Innovation Award - ICC
- ➔ 2012 – Construction Excellence Award from the State of Delaware Office of Management and Budget and the Delaware Contractors Association - I-95/MD 24 project



I-95 at MD 24 Interchange

EMPLOYEE AWARDS

MDTA Police Officer of the Year
Ofc. Brendan Foard

Executive Secretary Harold M. Bartlett, Ofc. Brendan Foard and Chief Michael T. Kundrat.



Detachment Officers of the Year

Ofc. Gregory Sampson
Hatem Bridge Detachment

Ofc. James Ryan
Nice Bridge Detachment

Ofc. Brendan Foard
Key Bridge Detachment

Ofc. Jeffrey Hechmer
Bay Bridge Detachment

Ofc. Tyler Sheldon
Tunnel Command Detachment

Ofc. Howard Burnett
ICC Detachment

Ofc. David Grant
Commercial Vehicle Safety Unit

Ofc. Gerald Heins
Port Detachment

Ofc. Christopher Majewski
BWITM Airport Detachment

Ofc. Amanda Duncan
MVA Detachment

Ofc. Gerald Richardson
Training Unit

Ofc. Pierre Pyle
K-9 Unit

Det. Jayson Cox
Detective Unit

MDTA Police Officers Brendon Foard and John Willis were among ASIS International's 2011 Police & Private Security Award winners. Ofc. Foard received the Crime Prevention Award, and Ofc. Willis received the Exceptional Performance Award.

The following employees received MDTA Award of Excellence, Heroic Act and Special Act awards:

Award of Excellence

- Andrea Higgs**
Nice Bridge
- Tim Sheets**
Division of Communications
- Sheri Dawson**
Key Bridge
- Tim Long**
Traffic Management Division
- Linda Bush**
Traffic Management Division
- Linda Taylor**
Baltimore Harbor Tunnel
- Yvonne Taft**
Baltimore Harbor Tunnel
- Jeanne Marriott**
Division of Capital Planning
- Laura Vandervort**
Fort McHenry Tunnel
- Tyrone Chaptman**
Fort McHenry Tunnel
- Michael Wilson**
Fort McHenry Tunnel
- Cherise Taylor**
Division of Finance
- Linda Jester**
Bay Bridge
- Chris Thompson**
Engineering
- Carol Polomski**
Engineering
- Thomas Boschert**
ICC

Heroic Act

- Charles Mayes**
Northern Region
- Scott Still**
Bay Bridge

Special Act

- Melvin Burrell**
Key Bridge
- Sherri Michael**
Baltimore Harbor Tunnel
- Alfred Green**
Baltimore Harbor Tunnel
- Jenelle Alexandre**
Baltimore Harbor Tunnel
- Tavon Blackwell**
Baltimore Harbor Tunnel
- Bonnie Davis**
Fort McHenry Tunnel
- Eddie Hollis**
Fort McHenry Tunnel
- Annette Williams**
Fort McHenry Tunnel
- Shirley Hill**
Executive Offices
- Cathy Beasley Oliver**
Strategic Development



The Baltimore Harbor Tunnel's Linda Taylor (center) receives the Award of Excellence from Deputy Administrator (Tunnels) Richard Wolf and Facility Administrator Martara Hannah.

Employees on Military Duty

- Ronald L. Hammond** – *Office of Traffic Management/Operations*
- Harold Murdock** – *MDTA Police*
- Peter Leyden** – *MDTA Police*

The MDTA is responsible for various Transportation Facilities Projects, the pooled revenue from which is pledged to the payment of toll revenue bonds. Transportation Facilities Projects include the Nice Bridge, Bay Bridge, Baltimore Harbor Tunnel, Key Bridge, Kennedy Highway, Fort McHenry Tunnel and the ICC/MD 200. The Hatem Bridge is the only Maryland toll facility categorized as a General Account Project under the Trust Agreement for the benefit of MDTA's bondholders. The MDTA may issue either taxable or tax-exempt municipal bonds to finance the cost of large-scale projects that would otherwise exceed current available operating revenues. Through this financing mechanism, the MDTA is able to finance the construction of projects that will generate sufficient future revenues to repay bondholders the principal amount borrowed, along with interest.

The outstanding principal and interest due each year is paid from all revenues collected from the MDTA's toll facilities. Toll revenues are the primary source of funds. Revenues from all eight toll facilities are combined for operating, maintaining, preserving, protecting/securing and making capital improvements to these facilities. The agency's strong bond ratings secure its position to finance transportation solutions for Maryland's citizens. This year, the MDTA received underlying affirmed "AA" ratings from all three bond-rating agencies.

By Maryland statute, the MDTA also may issue bonds to finance other revenue-producing, transportation-related projects that are not tolling projects. Conduit bonds and Grant and Revenue Anticipation (GARVEE) bonds are secured by revenues pledged from the individual projects or federal government grants and are backed by sources external to the MDTA. To date, the agency has issued bonds for transportation projects at BWI Marshall Airport; parking facilities at Metrorail stations operated by the Washington Metropolitan Area Transit Authority (WMATA); and a State parking facility in Annapolis. Additionally, the MDTA has issued GARVEE bonds to finance a portion of the ICC.

As of June 30, 2012, the MDTA had direct, conduit and GARVEE debt outstanding of \$3.28 billion.

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The following are excerpts of the Maryland Transportation Authority's financial statements for the year ended June 30, 2012. The MDTA's financial statements were audited by Clifton Gunderson LLP. Their opinion concluded that the MDTA's statements present fairly, in all material respects, the financial position of the MDTA as of June 30, 2012, and the changes in its financial position and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. A copy of the MDTA's complete financial statements, including the accompanying footnotes which are an integral part of the financial statements, can be obtained on the MDTA's web site at mdta.maryland.gov.

STATEMENT OF NET ASSETS

As of June 30, 2012 (In Thousands)

ASSETS

Current Assets

Cash and cash equivalents	\$	43,129
Restricted cash and cash equivalents		259,192
Investments		451,046
Restricted investments		400,015
Intergovernmental receivable		4,532
Inventory		4,792
Accounts receivable		16,810
Accrued interest		1,803
Notes receivable		1,674
Contractor deposits		1,000
Total current assets		1,183,993

Noncurrent Assets

Capital assets, not being depreciated		
Land		383,687
Construction in progress		1,007,407
Capital assets being depreciated, net of accumulated depreciation		3,590,470
Total capital assets		4,981,564
Notes receivable, net of current portion		8,927
Direct financing lease receivable		332,772
Contractor deposits, net of current portion		264
Other assets		8,450
Deferred financing costs, net of accumulated amortization		16,900
Total noncurrent assets		5,348,877
TOTAL ASSETS	\$	6,532,870

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable & accrued liabilities	\$	75,412
Intergovernmental payable		77,658
Unearned revenue		18,711
Accrued interest		64,349
Contractor deposits and retainage		8,898
Accrued annual leave		498
Accrued workers' compensation costs		1,750
Bonds payable		112,435
Total current liabilities		359,711

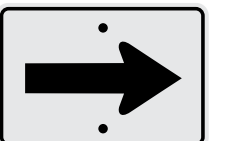
Noncurrent Liabilities

Contractor deposits and retainage, net of current portion		3,167
Accrued annual leave, net of current portion		8,400
Accrued workers' compensation costs, net of current portion		9,541
Bonds payable, net of current portion		3,235,799
Total noncurrent liabilities		3,256,907
Total liabilities		3,616,618

Net Assets

Invested in capital assets, net of related debt		2,313,587
Restricted for:		
Debt service		104,916
Capital expenses		43,859
Unrestricted		453,890
Total net assets		2,916,252

TOTAL LIABILITIES AND NET ASSETS \$ 6,532,870



FINANCIALS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS As of June 30, 2012 (In Thousands)

Operating Revenues	
Toll	\$ 389,562
Intergovernmental	151,462
E-ZPass	22,413
Concession	7,575
Other	7,185
Total operating income	578,197
Operating Expenses	
Collection, police patrol, and maintenance	176,455
Major repairs, replacements, and insurance	54,960
General and administrative	29,739
Depreciation	47,919
Total operating expenses	309,073
Income from operations	269,124
Non-operating Revenues (Expenses)	
Investment revenue	3,975
Restricted interest income on investments	3,543
Loss on disposal of infrastructure	(16,949)
Interest expenses	(86,487)
Total non-operating revenues & expenses	(95,918)
Change in net assets	173,206
NET ASSETS - BEGINNING OF YEAR	2,743,046
NET ASSETS - END OF YEAR	\$ 2,916,252

STATEMENT OF CASH FLOWS As of June 30, 2012 (In Thousands)

Cash Flows from Operating Activities	
Receipts from toll collections and E-ZPass	\$ 412,183
Receipts from concessions and other revenue	12,485
Receipts from other governmental agencies for services	152,309
Payments to employees	(138,549)
Payments to suppliers	(146,282)
Net cash provided by operating activities	292,146
Cash Flows from Noncapital Financing Activities	
Debt principal payments, net of direct financing lease receivable	67,457
Cash Flows from Capital Financing Activities	
Bond proceeds	126,407
Capital debt interest payments	(129,189)
Capital debt principal payments	(152,093)
Direct financing costs	(466)
Purchase of capital assets	(398,727)
Net cash used in capital financing activities	(554,068)
Cash Flow from Investing Activities	
Proceeds from sales of investments	879,130
Proceeds from interest income on investments	10,834
Purchase of investments	(854,498)
Net cash provided by investing activities	35,466
Net Decrease in Cash and Cash Equivalents	(158,999)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	461,320
CASH AND CASH EQUIVALENTS END OF YEAR	\$ 302,321

Supplemental disclosure of significant noncash investing activities - change in fair value of investments	\$ 2,565
Supplemental disclosure of significant noncash capital financing activities - unpaid additions to capital assets	\$ (2,517)
Supplemental disclosure of significant noncash financing activities - amortization of debt issuance costs and premium	\$ (5,829)

Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Income from operations	\$ 269,124
Depreciation and amortization	47,919
Effect of changes in operating assets and liabilities:	
Intergovernmental receivables	(187)
Inventory	(386)
Accounts receivable	(7,068)
Note receivable	1,034
Accounts payable and accrued liabilities	(36,352)
Intergovernmental payables	12,163
Deferred revenue	5,001
Accrued annual leave	277
Accrued workers' compensation costs	621
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 292,146

FINANCIALS

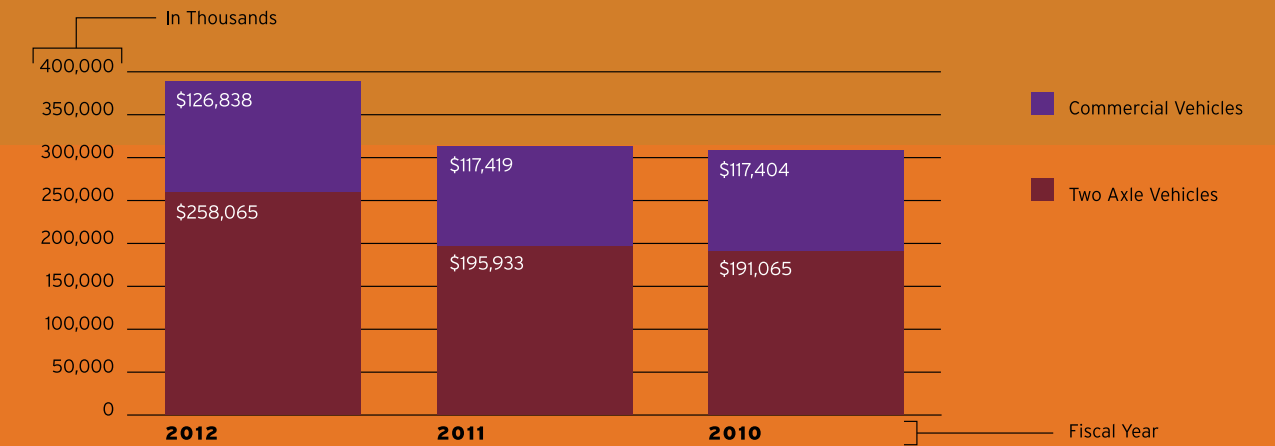
REVENUE, EXPENSES, AND CHANGES IN NET ASSETS Years Ended June 30, 2012, 2011, 2010 (In Thousands)

	2012	2011	2010
Operating revenues	\$ 578,197	\$ 547,327	\$ 549,177
Operating expenses	309,073	288,263	282,152
Net operating income	269,124	259,064	267,025
Non-operating revenues (expenses)	(95,918)	(59,278)	25,832
INCREASE IN NET ASSETS	\$ 173,206	\$ 199,786	\$ 292,857

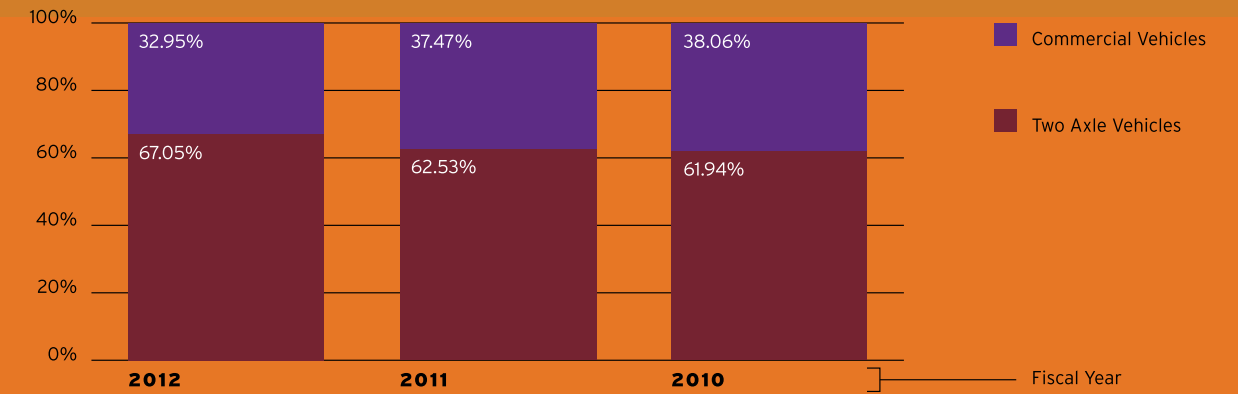
ASSETS, LIABILITIES, AND NET ASSETS Years Ended June 30, 2012, 2011, 2010 (In Thousands)

	2012	2011	2010
Current Assets	\$ 1,183,993	\$ 1,363,108	\$ 1,257,961
Noncurrent Assets	367,313	399,603	422,943
Capital Assets, net of Depreciation	4,981,564	4,610,082	3,880,548
TOTAL ASSETS	\$ 6,532,870	\$ 6,372,793	\$ 5,561,452
Current Liabilities	\$ 359,711	356,887	\$ 314,375
Long-term Bonds Payable	3,235,799	3,253,961	2,676,028
Other Long-term Liabilities	21,108	18,899	27,789
TOTAL LIABILITIES	\$ 3,616,618	\$ 3,629,747	\$ 3,018,192
Net Assets			
Invested in Capital Assets	\$ 2,313,587	\$ 2,115,839	\$ 1,896,303
Restricted	148,775	242,486	309,338
Unrestricted	453,890	384,721	337,619
TOTAL NET ASSETS	\$ 2,916,252	\$ 2,743,046	\$ 2,543,260

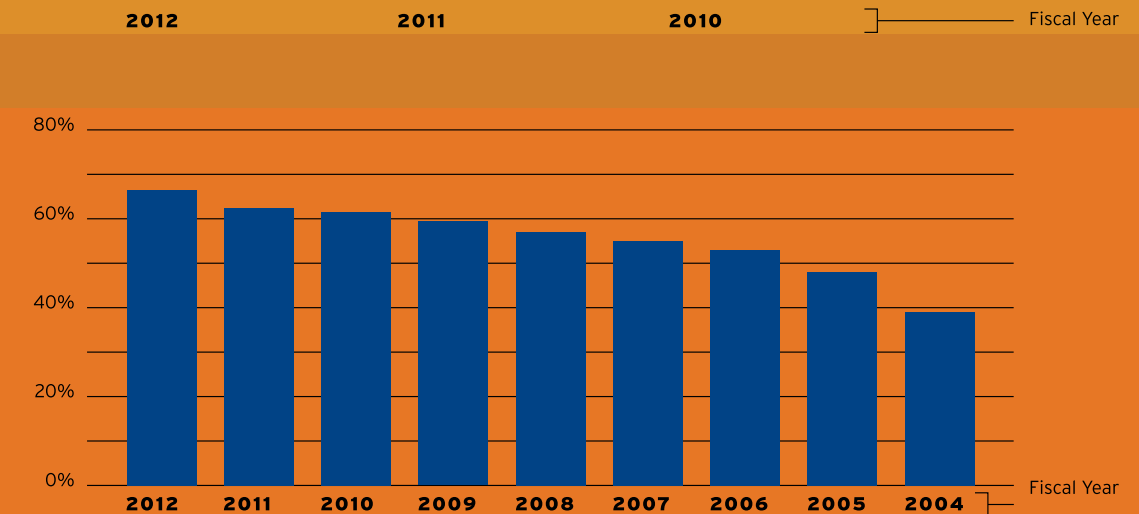
Toll Revenue



Toll Composition



Percent Of Customers Using Electronic Toll Collection





Maryland
Transportation
Authority

Martin O'Malley, Governor

Anthony G. Brown, Lt. Governor

Darrell B. Mobley, Acting Chairman

Harold M. Bartlett, Executive Secretary

Maryland Transportation Authority

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Trustee - The Bank of New York Mellon
Independent Auditors - Clifton Gunderson LLP